GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1117
ANSWERED ON:07.03.2002
DISINVESTMENT IN POWER SECTOR
MALYALA RAJAIAH

Will the Minister of POWER be pleased to state:

(a) whether the Government have initiated the process to disinvest and bring down Government`s share capital up to 26% or below in respect of `non-strategic` Public Sector Undertakings as part of economic reforms;

(b) if so, the names of such `non-strategic` Public Sector Undertakings falling underMinistry of Power which are covered under the said process;

(c) the eventual impact on the control/ownership/management of such PSUsconsequent to reduction of Government`s stakes in share capital;

(d) the effects, if any, on the job security of employees of such PSUs such as reduction of staff, constractualization of work or adoption of new modes of recruitment which may deprive state favoured protective facilities of reservation system for which most of SCs, STs and OBCs owe their jobs; and

(e) the special measures being taken to safeguard interests of SCs, STs and OBCs asenvisaged under Article 46 of the Constitution?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) : Yes, Sir.

(b) : Disinvestment in Public Sector Undertaking is a continuous process. As a part ofthe process, Government keeps considering proposals for disinvestment in various public sector undertakings from time to time. The proposals are considered through Inter-Ministerial consultations and final decisions are taken. The Government has not decided as on date to disinvest any of the Public Sector Undertakings under the Ministry of Power.

(c) to (e) : Impact of control/ownership/management depends on the quantum of reduction of Government stakes in share capital. It the Government share is reduced to a level below 50%, the company will no longer remain a Government company. Concerns of employees, interests of SC/ST/OBCs, etc. are addressed at the time of finalizing the transaction documents.